

**DEPARTMENT OF BENEFIT PAYMENTS**

4 P Street, Sacramento, CA 95814



December 13, 1976

ALL-COUNTY LETTER NO. 76-137

TO: ALL COUNTY WELFARE DIRECTORS

SUBJECT: USE OF HEALTH INSURANCE ENTITLEMENTS

REFERENCE: Welfare and Institutions Code §§ 10020 et seq., 11004, 14005, 14009, 14611 and 14023. California Administrative Code §§ 50262, 50313, 50459 and 51005. Social Security Action Section 1902(a)(25).

The Department of Benefit Payments is responsible under W & I Code Section 14102 for "the recovery of any amount due, owing or collectible" as the result of payments made under the Medi-Cal program. Included are health insurance and other third party payor entitlements of Medi-Cal program beneficiaries.

County welfare department actions (or inactions) are the fulcrum on which the identification and recovery of health insurance benefits is dependent. The frequency and accuracy with which local welfare departments identify and code insurance information onto the CID files is the basis for the program. This coding procedure was changed on November 1, 1976 by the Department of Health from a complex four digit system to a simple single digit alpha system. Please refer to Medi-Cal Letter 13-76 (CMAP) for details. County departments should expect their frequency and quality of this coding to increase under this simplified system.

The same Medi-Cal Letter sets forth a revised policy for persons with Kaiser, Ross Loos or CHAMPUS (military related) benefits. Persons with these entitlements must furnish the provider of Medi-Cal services with information on use of benefits or they will be denied immediate non-emergency care under the Medi-Cal program. This action was taken because of our inability to recover money from Kaiser, Ross Loos or CHAMPUS for services provided under the Medi-Cal program.

An increase in requests for recoding the Medi-Cal card may result from this action. Such requests should be thoroughly reviewed and the requestor should again be advised of the provisions of W & I Section 14023. It states "(a) Any applicant for public assistance or for coverage under this chapter who at the time of application has any other contractual or legal entitlement to any health care service defined in Section 14053 and who willfully fails at that

time to disclose the fact of such other entitlement, or falsely represents that he does not have such other entitlements, is guilty of a misdemeanor.

"(b) Any public assistance recipient or person eligible under this chapter who, subsequent to the date of application for such assistance or coverage under this chapter, acquires any other contractual or legal entitlement to any health care service defined in Section 14053, and willfully fails or refuses to give notice thereof to his county welfare department within 10 days of such acquisitions, is guilty of a misdemeanor.

"(c) Any public assistance recipient or person eligible under this chapter who has any other contractual or legal entitlement to any health care service defined in Section 14053, and who knowing that he must use such entitlement first, obtains any such service under Medi-Cal without first having utilized and exhausted his other contractual or legal entitlements thereto or therefor, is guilty of a misdemeanor."

If you have any questions or concerns, please contact the Department of Health Eligibility Section's Field Representative per Medi-Cal Letter 11-76 at (916) 445-1797 or this Department's Health Recovery Bureau Chief, Jerry Hansen (916) 445-0416.

Sincerely,



GARY G. ADAMS  
Deputy Director

cc: CWDA